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FM AMEMBASSY RANGOON
TO RUEHC/SECSTATE WASHDC 8189
RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHGG/UN SECURITY COUNCIL COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 2045
RUEHBY/AMEMBASSY CANBERRA 1533
RUEHKA/AMEMBASSY DHAKA 4993
RUEHNE/AMEMBASSY NEW DELHI 5020
RUEHUL/AMEMBASSY SEOUL 8615
RUEHKO/AMEMBASSY TOKYO 6184
RUEHCN/AMCONSUL CHENGDU 1586
RUEHCHI/AMCONSUL CHIANG MAI 1847
RUEHCI/AMCONSUL KOLKATA 0437
RUEATRS/DEPT OF TREASURY WASHDC
RHHMUNA/CDR USPACOM HONOLULU HI
RUEHGV/USMISSION GENEVA 4040
RHEHNSC/NSC WASHDC
RUCNDT/USMISSION USUN NEW YORK 2003
RUEKJCS/SECDEF WASHDC
RUEHBS/USEU BRUSSELS
RUEKJCS/JOINT STAFF WASHDC

UNCLAS SECTION 01 OF 02 RANGOON 000747

SENSITIVE
SIPDIS

STATE FOR EAP/MLS, EEB/TPP/ABT/ATP - JANET SPECK
USDA FOR OSEC AND APHIS
USDA FOR FAS/DLP/HWETZEL AND FAS/ICD/LAIDIG
BANGKOK FOR USDA/FAS, ECON OFFICE, USAID/OFDA
DEPT PLEASE PASS TO USAID - CHERYL JENNINGS
PACOM FOR FPA
TREASURY FOR OASIA: SCHUN

E.O. 12958:N/A

TAGS: [EAGR](#) [EAID](#) [ETRD](#) [ECON](#) [PGOV](#) [PREL](#) [BM](#)

SUBJECT: BURMA: FARMERS PLANT RICE IN DELTA; YIELDS UNKNOWN

REF: Rangoon 585

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¶1. (SBU) Summary. Cyclone Nargis, with its up to 12-foot high waves, not only destroyed much of the rice farmland in the Irrawaddy Delta, but also washed away seeds, draft animals, plows, and other farm implements. Farmers in the Delta have received some assistance from the Burmese Government, UN agencies, and NGOs, primarily in the form of seeds, power tillers, and water buffalo, and during two recent trips to the region we observed farmers have planted the majority of available rice fields. However, farmers reported problems with seed germination due to poor quality seeds and high soil salinity. It is too soon to determine crop yields in the Delta, but farmers and World Food Programme (WFP) officials predict that yields could be as much as 40 percent lower than last year's. End Summary.

¶2. (U) FAS Agricultural Specialist traveled to Kungyangon, Dedaye, Pyapone, and Bogalay Townships in the Irrawaddy Delta between August 24-27. She visited eight villages: Zayat Hla, Kama Ka Lu, Htaw Paing, Kyein Chaung, Kyun Thar Yar, and Set San in Bogalay, and Thameindaw and Kanseik in Pyapone. Visiting USAID Food for Peace Officer Katey Shein traveled to Bogalay and Pyapone September 10-12. She visited four villages: Kwin Thi Chaung and Ywar Thar Yar in Bogalay, and Zee Phyn Chaung and Hmaw Bi in Pyapone.

Fields Planted, but Will Rice Grow?

¶3. (SBU) Cyclone Nargis, which struck Burma May 2-3, 2008, destroyed much of the farmland in the Irrawaddy Delta, Burma's largest rice producing region. According to the Food and

Agricultural Organization (FAO), the storm flooded more than one million acres of rice farmland in seven townships in Irrawaddy Division, affecting more than one million farmers and day laborers (Ref B). In addition to the loss of usable farmland, farmers also lost farm implements, including more than 250,000 water buffalo and draft cattle, 100,000 plows, and seed stocks. In the July 10 UN Revised Flash Appeal, the FAO requested more than USD 40 million to rehabilitate affected rice farms. The FAO and the Burmese Ministry of Agriculture recommended that farmers should plant the monsoon crop no later than August 1, leaving little time to rehabilitate farms and provide farmers with necessary tools.

¶4. (SBU) During our trips, we observed that farmers had made significant progress in planting, compared with our last trip in early July (Reftel). Farmers in Pyapone and Bogalay had planted thousands of acres of rice paddy, although the paddies were in various stages of cultivation. Not all fields were planted, however; several farmers in Pyapone told us that they did not plant deep water fields because their expected rice yields would not be enough to cover costs. Of the fields we observed, some were green and lush, with spouting rice plants; others were bare. Farmers in both townships told us that they had to broadcast seeds multiple times before the seeds would germinate; in some cases, the seeds had yet to sprout. While farmers did not know the exact reason for their planting woes, World Food Programme (WFP) staff highlighted two main reasons for the lack of germination: inappropriate seeds for the Delta and high soil salinity. Some farmers were able to counter the high salinity problem by using fertilizer; other farmers in Bogalay and Pyapone told us they could not afford fertilizer because they had to buy additional seeds after their first plant was unsuccessful. Additionally, we heard reports that some of the donated rice seeds were actually grain or cattle feed.

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¶5. (SBU) All of the farmers we spoke with reported receiving donations of seeds, plows, and draft animals from various entities, including the UN, the Burmese Government, and NGOs. During previous trips to the Delta, farmers complained that donations were not enough (Reftel). Nevertheless, farmers in Bogalay and Pyapone have made do with available materials. Several farmers in Pyapone told us, however, that many day-laborers were unwilling to work because they were able to subsist on humanitarian donations. Instead, farmers said they had to hire other workers, often out-of-work fishermen, to assist with the planting. Some farmers worked with local businesses, such as Steven Law's Asia World, to plant rice seeds. In these cases, Asia World, which plowed and cultivated the fields on behalf of the farmers, plans to deduct the production costs from eventual rice sales. Several farmers we spoke to indicated their distrust of such operations, fearing that the companies would try to confiscate their land.

Low Yields Expected, But No Agreement on How Much

¶6. (SBU) Estimates on how much rice the Irrawaddy Delta will produce in 2008 vary widely among GOB officials, UN representatives, and farmers. According to Myanmar Agricultural Service officials, the Ministry of Agriculture expects the Irrawaddy Delta to produce the same amount of rice as last year, roughly 66 baskets per acre. FAO Country Director Dr. Shin Imai told us he expects yields to be 15 percent less than 2007 levels. However, farmers and WFP officials working in the Delta agreed that crop yields could be up to 40-50 percent lower than expected, depending upon the region, the quality of seeds, and the level of salinity in the soil. Nevertheless, WFP and FAO officials anticipate that 2008 rice yields in the Irrawaddy Delta will be sufficient to meet local needs.

¶7. (SBU) According to Dr. Imai, the FAO received tacit approval from the GOB to conduct a Crop Supply Food Assessment Mission throughout Burma, beginning in October. Once completed, this assessment will provide a comprehensive picture of how much rice the different regions can produce, as well as the impediments to production.

Comment

18. (SBU) We were pleasantly surprised that farmers in Bogalay and Pyapone were able to plant the majority of their rice fields, since our last trip to the Delta painted a much bleaker picture of potential rice production in the Labutta area (Reftel). Nonetheless, just because the fields are planted does not mean that rice will grow. Reports of seed germination deficiencies indicate that yields may be lower than last year's figures, although it is still too early to predict. We will travel again to the Delta to monitor the rice crop in October/November, which should enable us to observe actual cultivation.

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